

## Message Text

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ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00  
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15  
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FM SECSTATE WASHDC  
TO AMEMBASSY LONDON IMMEDIATE  
INFO AMEMBASSY PARIS IMMEDIATE  
AMEMBASSY BRUSSELS IMMEDIATE  
AMEMBASSY THE HAGUE IMMEDIATE  
AMEMBASSY BONN IMMEDIATE  
AMEMBASSY ROME IMMEDIATE

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E.O. 11652: N/A

TAGS: EAIR, UK

SUBJECT: US-UK AGREEMENTS ON AIR FARES AND  
CHARTER SERVICES

1. FOLLOWING IS TEXT OF JOINT PRESS STATEMENT ON  
US-UK AGREEMENTS. TEXT WAS RELEASED LATE FRIDAY  
AFTERNOON PRIOR TO JOINT SHOVELTON-ATWOOD PRESS  
BRIEFING AT DEPT:

BEGIN TEXT: JOINT ANNOUNCEMENT OF AGREEMENTS BETWEEN  
THE UNITED KINGDOM AND THE UNITED STATES ON NORTH  
ATLANTIC AIR FARES AND CHARTER SERVICES

NORTH ATLANTIC AIR SERVICES:  
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1. AN AGREEMENT REACHED TODAY BY REPRESENTATIVES OF  
THE UNITED STATES AND UNITED KINGDOM WILL LEAD TO LOWER  
FARES ON SCHEDULED SERVICES AND LIBERALIZATION OF  
CHARTER AIR SERVICES ON THE NORTH ATLANTIC BETWEEN THE  
UNITED STATES AND THE UNITED KINGDOM.

2. AGREEMENT ON FARES WAS REACHED ON MARCH 17 IN

AN EXCHANGE OF LETTERS BETWEEN JAMES R. ATWOOD, DEPUTY ASSISTANT SECRETARY FOR TRANSPORTATION AFFAIRS, UNITED STATES DEPARTMENT OF STATE, AND PATRICK SHOVELTON,

DEPUTY SECRETARY FOR CIVIL AVIATION AND SHIPPING, OF THE UNITED KINGDOM DEPARTMENT OF TRADE. THE AGREEMENT WILL ENSURE THAT AIRLINES OPERATING SCHEDULED

SERVICES DURING SUMMER 1978 AND WINTER 1978/79 ACROSS THE NORTH ATLANTIC WILL BE ABLE TO OPERATE BETWEEN THE 14 US GATEWAYS AND THE UK GATEWAYS WITH LOW FARES INCLUDING STANDBY, BUDGET AND ADVANCE PURCHASE. THIS WILL PROVIDE ADVANTAGES TO TRAVELLERS BETWEEN OTHER US GATEWAYS AND BRITISH GATEWAYS, PREVIOUSLY AVAILABLE ONLY ON THE NEW YORK-LONDON ROUTE, AND WILL ALLOW THE AIRLINES OF BOTH COUNTRIES GREATER FREEDOM TO COMPETE FAIRLY IN THE AIR TRAVEL MARKET. IN ADDITION THE UNDERSTANDING PROMISES THAT EACH COUNTRY WILL CONSIDER FAVORABLY OTHER INNOVATIVE AIR FARE PROPOSALS BASED ON THE MUTUAL UNDERSTANDING THAT THERE IS RECIPROCITY IN THE TREATMENT OF EACH OTHER'S AIRLINES. BOTH COUNTRIES HAVE AGREED TO REVIEW THE POSITION THIS AUTUMN.

3. IN ADDITION, THE UNITED STATES AND THE UNITED KINGDOM HAVE INITIALED A BILATERAL CHARTER AGREEMENT  
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LIBERALIZING CHARTER RULES IN THE US-UK MARKET. THE AGREEMENT SPECIFIES THE RULES THAT WILL NOW APPLY ON CHARTER SERVICES BETWEEN THE TWO COUNTRIES. THE

ADDITION OF THIS AGREEMENT SETTLES MOST OF THE ISSUES OUTSTANDING FROM THE BERMUDA 2 AGREEMENT AND WILL ASSURE THAT TRAVELLERS HAVE A BETTER CHOICE OF LOW FARES ON VARIOUS TYPES OF AIR SERVICES.

4. THESE ARRANGEMENTS REMOVE THE TEMPORARY AVIATION PROBLEMS WHICH HAVE ARISEN RECENTLY BETWEEN THE TWO GOVERNMENTS AND WILL BE OF GREAT VALUE TO THE PUBLIC.  
END TEXT.

2. DEPT TRANSMITTING BY SEPTELS TEXTS OF LETTERS EXCHANGED ON AIR FARES, AND REPORT ON NEGOTIATIONS TOWARD CHARTER AGREEMENT. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGREEMENTS, TEXT, AIR FARES, SUPPLEMENTAL AIRLINES, PRESS RELEASES  
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**Copy:** SINGLE  
**Draft Date:** 20 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
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**Executive Order:** N/A  
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